

HOUSE BILL 1249

Q3
HB 669/09 – W&M

0lr3190

By: **Delegates Bates, Aumann, Bartlett, Beitzel, Boteler, Eckardt, George, Guzzone, Jenkins, Krebs, Miller, Murphy, Myers, O'Donnell, Serafini, Shank, Stull, and Wood**

Introduced and read first time: February 18, 2010

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Economic Stimulus Act – Expensing of Business Property and**
3 **Bonus Depreciation**

4 FOR the purpose of limiting the applicability of certain Maryland income tax
5 modifications for certain deductions for the cost of certain property treated as
6 an expense for federal income tax purposes; limiting the applicability of certain
7 Maryland income tax modifications for a certain additional depreciation
8 allowance under the federal income tax for certain property; providing for the
9 application of this Act; and generally relating to certain Maryland income tax
10 modifications with respect to the federal income tax treatment of certain
11 property.

12 BY repealing and reenacting, with amendments,
13 Article – Tax – General
14 Section 10–210.1(b)(1) and (3)
15 Annotated Code of Maryland
16 (2004 Replacement Volume and 2009 Supplement)

17 BY repealing and reenacting, without amendments,
18 Article – Tax – General
19 Section 10–310
20 Annotated Code of Maryland
21 (2004 Replacement Volume and 2009 Supplement)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
23 MARYLAND, That the Laws of Maryland read as follows:

24 **Article – Tax – General**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 10–210.1.

2 (b) In addition to the modifications under §§ 10–204 through 10–210 of this
3 subtitle, to determine Maryland adjusted gross income of an individual:

4 (1) **WITH RESPECT TO PROPERTY PLACED IN SERVICE BEFORE**
5 **JANUARY 1, 2010**, an amount is added to or subtracted from federal adjusted gross
6 income to reflect the determination of the depreciation deduction provided under §
7 167(a) of the Internal Revenue Code and the adjusted basis of property without regard
8 to the additional allowance under § 168(k) of the Internal Revenue Code;

9 (3) **WITH RESPECT TO PROPERTY PLACED IN SERVICE BEFORE**
10 **JANUARY 1, 2010**, an amount is added to or subtracted from federal adjusted gross
11 income to reflect the determination of the maximum aggregate costs that the taxpayer
12 may treat as an expense under § 179 of the Internal Revenue Code for any taxable
13 year without regard to any changes made to that section after December 31, 2002:

14 (i) increasing above \$25,000 the dollar limitation set forth in §
15 179(b)(1) of the Internal Revenue Code; or

16 (ii) increasing above \$200,000 the phase–out threshold set forth
17 in § 179(b)(2) of the Internal Revenue Code;

18 10–310.

19 In addition to the modifications under §§ 10–305 through 10–309 of this
20 subtitle, to determine Maryland modified income the federal taxable income of a
21 corporation shall be adjusted as provided for an individual under § 10–210.1 of this
22 title.

23 **SECTION 2. AND BE IT FURTHER ENACTED**, That this Act shall take effect
24 July 1, 2010, and shall be applicable to all taxable years ending after December 31,
25 2009.